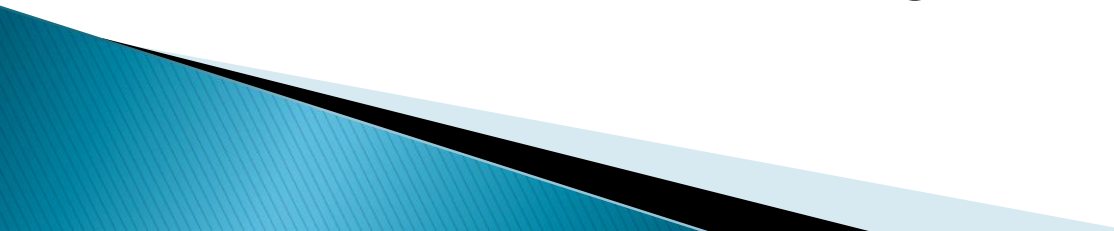


Understanding Grant Agreements

Office of Grants Management
Alyssa Haugen, Director


Office of Grants Management

- ▶ Began operations in September 2007
 - ▶ **Mission:** To standardize, streamline and improve state grant-making practices and to increase public access to information about state grant opportunities.
 - ▶ **State Statutes:**
 - 16B.97 – Grants Management
 - 16B.98 – Grants Management Process
- 


OGM Policies

- ▶ Comprehensive grants management policies apply to all Executive branch agencies, boards, commissions, councils, authorities, and task forces.
- ▶ 13 Policies – Aid government organizations and nonprofits by creating guidance and expectations
- ▶ View all policies
http://www.admin.state.mn.us/ogm_policies_and_statute.html

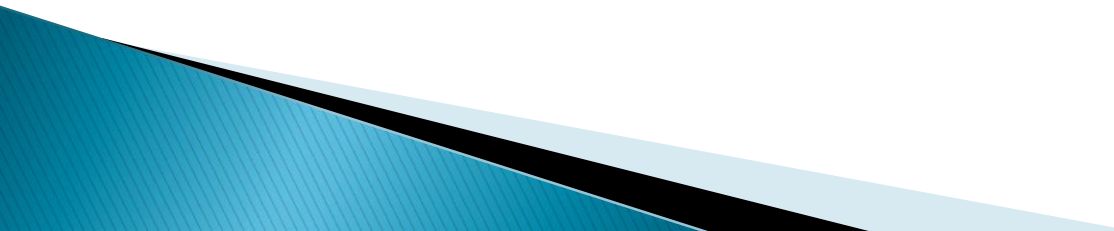
OGM Policy 08-04

- ▶ Requires use of a written grant agreement for all grants made by a Minnesota state agency.
 - ▶ Grant agreements must conform to M.S. 16B.98, Subd. 5
 - ▶ Grant agreements must contain, at a minimum, the sections we will discuss today. Agencies may also include other clauses necessary for their grant programs.
- 

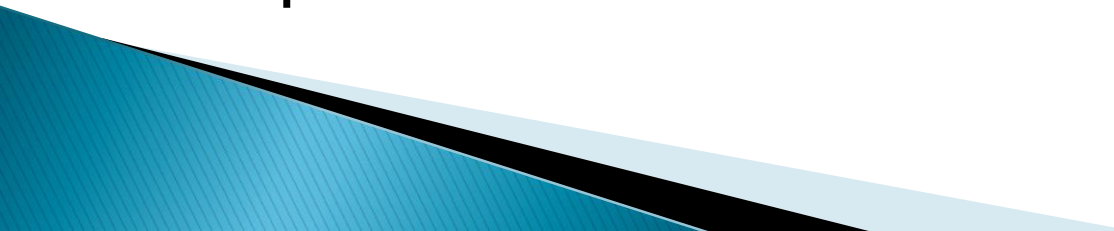
Purpose of Grant Agreement

- ▶ Help standardize and streamline state agency grantmaking – OGM provides template
 - ▶ To create mutual expectations and outline rights of both the State and Grantee. Make forms and attached documents identifiable and easy to locate for our grantees.
 - ▶ To ensure timely performance, deliverables, and reporting standards.
- 

Recitals

- Statutory Authority to enter into a grant.
State agencies do not have automatic grantmaking authority.
 - Detailed narrative highlighting the need and purpose of the grant.
 - Grantee agrees to perform all services to satisfaction of the State.
- 

Section 1 – Terms

- ▶ Effective date – M.S. 16C.05 does not allow work to begin until contract is fully executed, M.S. 16B.97 does not allow payments until fully executed.
 - ▶ Expiration date – all duties under grant must be completed by this date.
 - ▶ Survival of Terms – certain clauses survive expiration and cancellation of grant.
- 

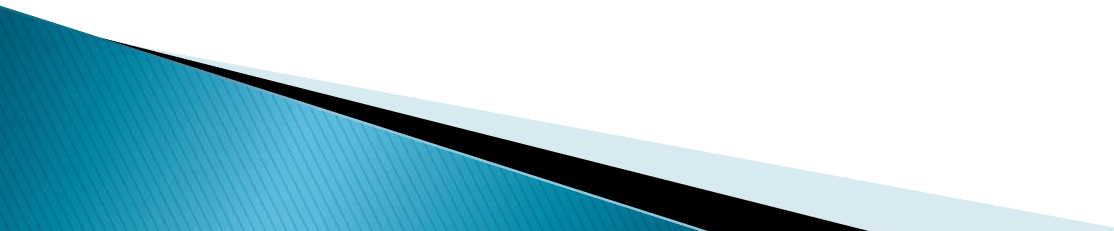
Section 2 – Grantee's Duties

- ▶ State will either,
 - 1: List grantee's duties, deliverables, and completion dates in detail, or
 - 2: Attach and incorporate an exhibit into the agreement that contains the duties and deliverables.
- Grantees – Review duties/agreed dates
- Understand modification request process.

Section 3 – Time

- ▶ Reemphasizes necessity of performing tasks timely.
- ▶ The State does not pay for the passage of time.
 - Duties should be performed as timely as possible to achieve listed outcomes.

Section 4 –Payment

- ▶ Consideration – Detailed breakdown of payment structure to grantee. May reference an attached budget. Any matching requirements will also be listed here.
 - ▶ Travel Expenses – Travel must follow State of MN Commissioner's Plan. Out-of-state travel requires prior approval.
 - ▶ Total Obligation – maximum amount to be paid out of grant
- 

Section 4 – Payment

▶ 4.2 – Payment

- Lists requirements for submitted invoices for services performed. Or, if payment will be made at specified intervals those should also be listed in detail in this section.
- Any federal funds will also be referenced under 4.2. Grantees are responsible for complying with federal fund requirements.

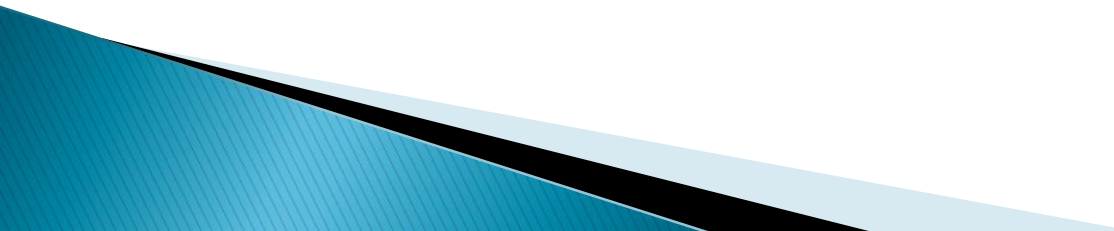
Section 5 – Conditions

- ▶ Conditions of Payment –
 - Grantee must perform to State's satisfaction
 - Grantee must follow all applicable rules, laws, etc.
 - Includes federal, state, and local.
 - If work is unsatisfactory – no payment
 - If work is unlawful – no payment

Section 6 – Authorized Reps

- ▶ Main contact person responsible for grant
 - State Authorized Rep
 - Sign grant agreement
 - Monitor performance in coordination with program staff
 - Accept and approve invoices
 - Grantee Authorized Rep
 - If it changes during grant period, contact State to update.

Section 7

- ▶ Assignment – Grantee may not transfer rights or obligations to another party. Assignments are rare and require an agreement approved by State.
 - ▶ Amendments – Required by OGM Policy to make changes to original agreement.
 - Amendments must be approved by same parties that approved original agreement.
- 

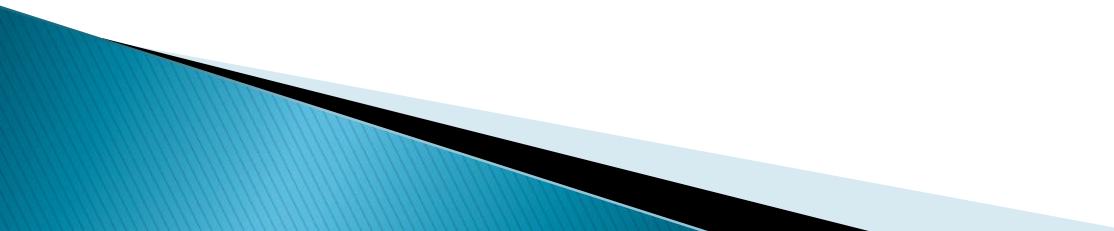
Section 7

- ▶ Waiver –
 - State maintains right to enforce any provision in the contract whether or not it has previously been enforced.
 - Grant Contract Complete –
 - Contract = all negotiations and agreements
 - No other understanding can bind either party

Section 8 – Liability

- ▶ Grantee must indemnify the State
 - No claims or causes of action
 - Does not bar legal remedies Grantee may have if State fails to fulfill its obligations

State Audit Requirements

- ▶ Grantee's records are subject to examination by State and/or State Auditor or Legislative Auditor.
 - ▶ Must maintain for a minimum of 6 years after end of grant contract or final reports. (M.S. 16B.98)
 - Could include purchase records, timesheets, checks, all services rendered under grant.
- 

Section 10 – Data Practices, IP

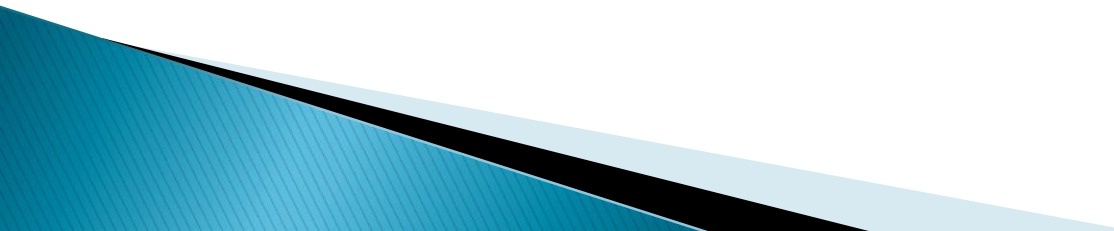
▶ Data Practices

- Grantee must comply with Data Practices Act, M.S. Ch. 13
- Data provided by State and all data created, collected, stored, used, or disseminated by Grantee.
- If grantee receives a request, notify State for additional guidance.

▶ Intellectual Property

- Outlines ownership of materials, including rights of grantee & when grantee must contact State for guidance.

Section 11 – Worker's Comp

- ▶ Grantee must be in compliance and have workers' compensation insurance coverage.
 - ▶ Grantee's employees and agents will not be considered State employees.
 - ▶ State has no obligation or responsibility for worker's compensation claims out of this grant agreement.
- 

Section 12 – Publicity

- ▶ Lists specific requirements for publicizing grant. For example, Legacy grant website or requirement to use Legacy logo.
- ▶ Grantee may not claim that State endorses its products or services.

Sections 13–15

▶ 13 – Governing Law

- Minnesota law governs agreement. Venue is Ramsey County.

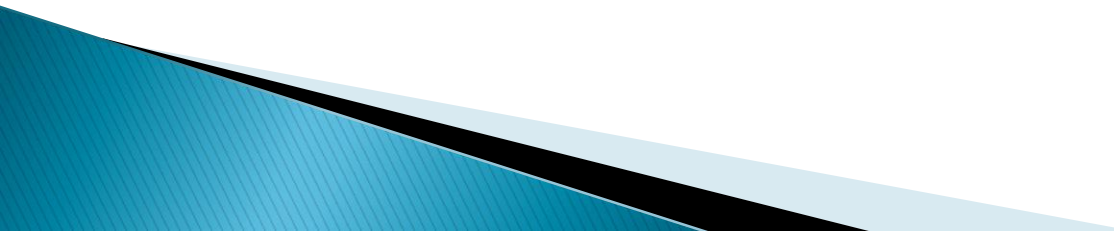
▶ 14 – Termination

- State may cancel at any time, with or without cause
- Grantee will be entitled to payment on a pro rata basis for services performed.

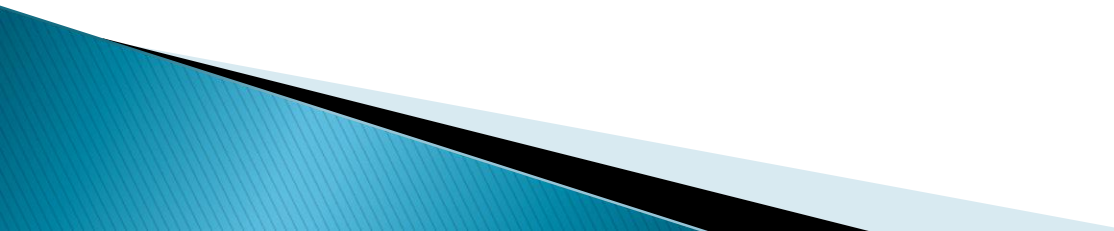
▶ 15 – Data Disclosure

- Grantee consents to disclosure of certain identification re: state tax liabilities.

Group Discussion

- ▶ Have you faced any challenges working with state grant agreements? What was the result?
 - ▶ What parts of the grant agreement work well?
 - ▶ Which sections still seem unclear to you?
 - ▶ Do you know who to contact to clarify/discuss agency specific requirements?
 - ▶ Is there anything you'd like to see in the agreement that isn't currently included?
- 

Question & Answer

- ▶ Share and report highlights of group discussion.
 - ▶ Additional questions about grant agreements?
 - ▶ Questions about the Office of Grants Management?
- 

Contact the OGM

- ▶ Alyssa Haugen, Director
 - 651-201-2569
 - alyssa.haugen@state.mn.us
- ▶ Jane Xiong, Grants Specialist
 - 651-201-2525
 - jane.xiong@state.mn.us

Office of Grants Management website:

www.admin.state.mn.us/ogm

State Grants Website: www.grants.state.mn.us

Thank You!